

provisions are just what the doctor ordered. Every business owner I talked to in Columbus, Ohio, tells me how important these expensing deductions are because when we lower costs, we free up income. That lets us businesses make investments elsewhere.

How often do we forget that over 23 million small business owners pay taxes at the personal rates, not the lower corporate tax rates. Did you ever wonder where the Democrats come up with these bogus numbers for the "super rich" and then they wage class warfare with these numbers? The dirty little secret they hope Americans do not realize is that most of these super wealthy people are actually small business owners.

Finally, the capital gains and dividends relief provisions in this package are an economist's dream come true. History is on our side. Every time this Congress has reduced the capital gains rate in this country, the economy has grown and revenues into Washington have increased. Conversely, every time we have raised the rate in order to tax businesses more and reduce the deficit, the opposite has happened. It is a simple economic truism. If you want more of something, tax it less.

So the gentleman from California (Mr. THOMAS) and the Committee on Ways and Means have developed a revolutionary idea to tax both dividends and capital gains less. This provision alone is projected to produce 400,000 new jobs and boost the stock market by as much as \$550 billion. That is what I call a return on investment.

Mr. Speaker, we have failed the American taxpayer and the American worker if we do not first commit in this body to do our level best to create more and better-paying jobs, and that is what we have done. Taken together, this package will produce 1.2 million new jobs in a little more than a year.

In contrast, our opponents' plan pledges more spending and more unemployment checks, but no new jobs. There is not one guarantee for any new job under their plan because they raise taxes on individuals and businesses 1 year after they lower them.

So the next time Members hear of soaking the rich or reverse Robin Hood, just ask our opponents if their constituents would prefer 1.2 million new jobs or none with an unemployment check. The choice is clear.

This economy has one obstacle standing between historic levels of growth and a jobless recovery. That is meaningful tax relief. As Members, we can choose to do something about it, to make bold decisions for a bold recovery. Or we can sit on the sidelines, wring our hands, and hope, like the Democrats, that things get better on their own.

Mr. Speaker, the American people did not send us here to be potted plants. We came to change the course of history, to make this country a better place to live, work and raise a family, and that is what I intend to do.

VOTE FOR DEMOCRATIC SUBSTITUTE ON JOBS AND GROWTH PACKAGE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Ms. JACKSON-LEE) is recognized for 5 minutes.

Ms. JACKSON-LEE of Texas. Mr. Speaker, what I like about the opportunity in addressing colleagues and speaking about issues in a pointed fashion, we can simply cut to the chase.

Mr. Speaker, it was in 1993 that a Democratic House and the President of the United States had to make a very difficult decision. But out of making that budgetary decision, we moved into the 1990s rebuilding our economy and generating the kind of surplus that America had not seen for 10, 15, 20, 25, 30 years. In 1997 again, when I was a Member of this body, the President of the United States, William Jefferson Clinton, and many of us, the Democratic Caucus, worked in a bipartisan manner to put forward a budget that really addressed the question of rebuilding the surplus.

So we see that out of that work we do not have to give anecdotal stories. We do not have to speak to pie in the sky. We have real proof because in January 2001 we had a \$5.6 trillion surplus built upon the sacrifices of Democrats and the willingness to invest in the American public.

As we move through the Republican presidency, President Bush and the Republican Congress, under the Republican budget we now have a minus \$2 trillion deficit as given to us by the Congressional Budget Office and the House Budget Committee, two independent sources.

Interestingly enough, we come over here to this question of jobs, and we hear that the bill on the floor of the House tomorrow is a job growth bill. We surely need jobs. I need jobs in Houston, Texas, and the State of Texas, jobs in New York and California, Mississippi and Kansas and Colorado, jobs all over the Nation. Well, from January 1993 to April 1995, the Bureau of Labor Statistics will tell us that the labor market gained 6.8 million jobs, not pie in the sky, reality.

Under President Clinton's policies and a Democratic Caucus working together from 1993 to 1995, we gained 6.8 million jobs. Then we get to January 2001, changing the administration and a Republican Congress, April 2003, we have lost 2.7 million jobs.

That is why I believe it is extremely important that we look realistically at what we need to do tomorrow. Frankly, what we need to do is to pass a real jobs growth initiative. The Democrats have the answer. We know that millions of Americans are going to lose their unemployment benefits, working men and women who do not owe us anything, we owe them because they worked and put dollars into the economy. So we want to extend Federal unemployment benefits.

We believe that we should support the States who are suffering. Texas alone has a \$12 billion deficit. Republicans are down in Texas trying to redraw lines of congressional seats that will cost the State millions and millions of dollars. It is a nonsensical plan, but we are willing to commit money to the States to help with Medicaid, education, homeland security and infrastructure.

We were just in Texas looking at the needs of the Port Authority, looking at the needs of hospitals and emergency rooms. This is a program that makes sense to put money into States and support them. Yes, we would like to make sure that we include a response to the Republican plan by creating jobs. Every single aspect of our particular proposal, the Democratic proposal, would do so.

I hope there is a substitute. But, Mr. Speaker, frankly, I hope that it is a substitute that will draw the support of all of our colleagues, Democrats and Republicans, because if Members are truly interested in job creation, we cannot do it by giving a tax cut to 1 percent of the population or individuals making over \$350,000. Those individuals making a million dollars and up getting \$17,000 in a tax cut, and as the numbers go down to working Americans, we wind up with zero.

People are hurting. The unemployment rate is increasing, but let me add another component to this. This is the month of May. I will be attending many, many graduations, young Americans looking for jobs. And I can say there are no jobs. The job numbers are down. Add to that the brave men and women from the United States military just returning from Iraq. Yes, many will maintain their service in the military, and we applaud that. But many of them will be ending their service in the military, brave men and women who were willing to offer themselves to fight for our principles, and they have no jobs, plain and simple.

I do not understand how we can put forward a tax cut of \$550 billion, ultimately \$1.7 trillion, and suggest it is job creation when if Members speak to any of the CEOs of the Fortune 500 corporations and others they question whether or not the dividend tax cut would generate any dollars. What we need is investment in our small businesses, and investment in homeland security and infrastructure. That creates jobs.

Mr. Speaker, I am about to submit to the Committee on Rules another amendment that decreases taxes, and that is for those hard-working, tax-paying employees that suffered the roller coast of corporate malfeasance and criminal activity of corporations like WorldCom, which went bankrupt, Enron went bankrupt, they gave them severance pay, and they had to pay taxes on the severance pay.

I am putting forward an amendment which will decrease taxes on these hard-working Americans who lost their

jobs so that no one has to pay taxes on any kind of pay they get when the corporation went bankrupt because of malfeasance and criminal activity.

Mr. Speaker, I conclude by saying vote for a real jobs growth program. Vote for the Democratic substitute and stop all of the poppycock about what a \$550 billion tax cut can do except put money in the pockets of the rich.

JOBS AND GROWTH PACKAGE WILL STIMULATE ECONOMY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Ms. HARRIS) is recognized for 5 minutes.

Ms. HARRIS. Mr. Speaker, I remain amazed at revisionist history which continues to accompany arguments against this visionary jobs and growth package.

We continue to hear accusations that the President's 2001 economic plan has not worked. Against what benchmark are we evaluating the success of this policy? President Bush inherited a speculative bubble that had burst in the Clinton-Gore recession when this body passed that plan. September 11, of course, worsened our economic outlook even more dramatically.

What was the result, then, of the President's 2001 economic plan? A potential deep depression became one of the shortest recessions on record. The economy is growing again, yet the American people continue to fear for their own economic security and for the dreams they nurture for their children and grandchildren.

The recovery remains sluggish, because the temporary nature of the 2001 tax cuts has restrained businesses from fully returning to the investment and growth mode. An unpredictable and ever-changing Federal tax policy is inimical to the long-term, predictable model that businesses require.

Thus, this year's job and growth package finishes the job that President Bush and Congress began in 2001.

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Mr. Speaker, President Bush's plan to revitalize our economy is rooted in values instead of expediency. It reflects his belief that the genius of the American people is more powerful than the power of government. It follows the principle that indeed the American people are far better than Washington bureaucrats when it comes to creating jobs and wealth. John F. Kennedy and Ronald Reagan understood the power of this idea. They featured tax cuts as the centerpiece of their economic agenda, launching two of the longest economic expansions in American history. When Ronald Reagan inherited a shattered economy wracked by double-digit inflation, 20 percent interest rates, long gas lines and stagnant productivity, he turned the conventional economic wisdom on its head. At the time, the so-called experts told us that high inflation was a necessary evil of a

growing economy. They also said that the Reagan tax cut plan would not fix the economy; it would only worsen it. They were wrong. President Reagan once quipped that when a friend of his was invited to a costume party, he actually slapped some egg on his face and went as a liberal economist.

President Bush's plan will rescue us from the economic morass the previous administration left behind, just as Ronald Reagan's visionary leadership accomplished more than 20 years ago. The jobs and growth package Chairman THOMAS has proposed includes all of the President's priorities, including the acceleration of individual rate cuts, marriage penalty relief, an increase in the child tax credit and a capital gains and dividend tax cut. Balancing the budget remains a very important objective and growing the economy while controlling spending is the best way to achieve that goal. I am concerned about deficits, but I am much more concerned about making certain that Americans have jobs.

The Federal Government's tax revenues increased after the Reagan tax cuts. The deficits of the 1980s occurred because spending outpaced revenue. Thus, we must keep spending in check. This tax plan will create 1.2 million new jobs for Americans, and we must pass it.

The SPEAKER pro tempore (Mr. GINGREY). Under a previous order of the House, the gentleman from Ohio (Mr. RYAN) is recognized for 5 minutes.

(Mr. RYAN of Ohio addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

ORDER OF BUSINESS

Ms. LINDA T. SANCHEZ of California. Mr. Speaker, I ask unanimous consent to give my Special Order at this time.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

ON REPUBLICAN TAX PLAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Ms. LINDA T. SANCHEZ) is recognized for 5 minutes.

Ms. LINDA T. SANCHEZ of California. Mr. Speaker, I am here this evening to talk about H.R. 2, the Republican proposed tax plan. By proposing H.R. 2, House Republicans are prompting a reckless tax cut for the wealthiest 1 percent of all Americans. Despite their efforts to deceive Americans, this tax cut will not create jobs or stimulate the economy. In California, 47 percent of taxpayers would receive less than \$100 from the Republicans' tax plan, while the average tax cut for the top 1 percent of California taxpayers would be \$35,940. The Republican proposal offers virtually no ben-

efit to the average American. Even more alarming is that Republicans propose gutting critical programs that many Californians rely on, like Medicare, Social Security and education, to pay for the so-called tax cut.

In addition, the Republicans' tax package will generate a record \$1.4 trillion deficit over the next 10 years. Imagine what we could do with \$1.4 trillion. We could be using that amount of money to shore up our ailing Social Security and Medicare programs; \$1.4 trillion could be used to assist States like California who are facing enormous budget deficits. This would put a halt to increases in property taxes and to cuts in education. If we really want to stimulate the economy, we need to provide tax relief for working families, like the Democratic tax proposal does. Republicans are showing their true values and priorities by giving permanent tax breaks to the very wealthy while shortchanging America's families.

If my Republican colleagues have any regard for hardworking American families, they will heed my plea to not support H.R. 2.

JOBS AND GROWTH PACKAGE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Tennessee (Mrs. BLACKBURN) is recognized for 5 minutes.

Mrs. BLACKBURN. Mr. Speaker, just yesterday our friends across the aisle introduced their version of a jobs and growth package. I have looked into the details of this plan, and it is nothing more than another empty promise to America's workers and entrepreneurs. On a daily basis, we in Congress meet with our constituents, and the message that they are sending should be clear to each and every one of us. Significant tax relief and jobs growth is what our economy needs most. We do not need another do-nothing plan, and American workers will not accept more spending on government programs. They will not accept more spending on government programs. They are sick and tired of tax and spend and tax and spend some more. And they are sick and tired of the old class warfare tactics.

The Democrats have proposed a \$152 billion stimulus plan for a Nation with a GDP of over \$10 trillion each year. Putting this in perspective, you may as well try and boost nationwide bubble gum sales by buying a single piece of bubble gum. The American people are not dumb. They know that you cannot expect significant economic growth without significant investment, and by "investment" I mean tax relief. Tax relief is an investment. It provides the capital that businesses and investors need to fuel expansion and jobs growth. There is no mystery here.

Republicans have a jobs and growth plan that is absolutely necessary. It amounts to much more than a drop-in-the-bucket plan that is proposed by